

Exhibit A

FACEBOOK INC

FORM 10-Q (Quarterly Report)

Filed 10/24/12 for the Period Ending 09/30/12

Address	1601 WILLOW ROAD MENLO PARK, CA 94025
Telephone	650-618-7714
CIK	0001326801
Symbol	FB
SIC Code	7370 - Computer Programming, Data Processing, And
Industry	Computer Services
Sector	Technology

PART I—FINANCIAL INFORMATION

Item 1. Financial Statements

FACEBOOK, INC.
CONDENSED CONSOLIDATED BALANCE SHEETS
(In millions, except for number of shares and par value)
(Unaudited)

	September 30, 2012	December 31, 2011
Assets		
Current assets:		
Cash and cash equivalents	\$ 2,478	\$ 1,512
Marketable securities	7,974	2,396
Accounts receivable, net of allowances for doubtful accounts of \$18 and \$17 as of September 30, 2012 and December 31, 2011, respectively	635	547
Income tax refundable	567	—
Prepaid expenses and other current assets	631	149
Total current assets	12,285	4,604
Property and equipment, net	2,289	1,475
Goodwill and intangible assets, net	1,423	162
Other assets	41	90
Total assets	\$ 16,038	\$ 6,331
Liabilities and stockholders' equity		
Current liabilities:		
Accounts payable	\$ 59	\$ 63
Platform partners payable	155	171
Accrued expenses and other current liabilities	409	296
Deferred revenue and deposits	85	90
Current portion of capital lease obligations	372	279
Total current liabilities	1,080	899
Capital lease obligations, less current portion	530	398
Other liabilities	254	135
Total liabilities	1,864	1,432
Stockholders' equity:		
Convertible preferred stock, \$0.000006 par value, issuable in series; no shares and 569 million shares authorized as of September 30, 2012 and December 31, 2011, respectively, no shares and 543 million shares issued and outstanding as of September 30, 2012 and December 31, 2011, respectively	—	615
Common stock, \$0.000006 par value; 5,000 million and 4,141 million Class A shares authorized as of September 30, 2012 and December 31, 2011, respectively, 949 million and 117 million shares issued and outstanding as of September 30, 2012 and December 31, 2011, respectively, including 2 million and 1 million outstanding shares subject to repurchase as of September 30, 2012 and December 31, 2011, respectively; 4,141 million Class B shares authorized, 1,217 million and 1,213 million shares issued and outstanding as of September 30, 2012 and December 31, 2011, respectively, including 12 million and 2 million outstanding shares subject to repurchase as of September 30, 2012 and December 31, 2011, respectively	—	—
Additional paid-in capital	12,585	2,684
Accumulated other comprehensive loss	(6)	(6)
Retained earnings	1,595	1,606
Total stockholders' equity	14,174	4,899
Total liabilities and stockholders' equity	\$ 16,038	\$ 6,331

See Accompanying Notes to Condensed Consolidated Financial Statements.

FACEBOOK, INC.
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS

(In millions, except per share amounts)

(Unaudited)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2012	2011	2012	2011
Revenue	\$ 1,262	\$ 954	\$ 3,504	\$ 2,580
Costs and expenses:				
Cost of revenue	322	236	967	613
Research and development	244	108	1,102	264
Marketing and sales	168	114	703	272
General and administrative	151	82	717	222
Total costs and expenses	885	540	3,489	1,371
Income from operations	377	414	15	1,209
Interest and other income (expense), net:				
Interest expense	(11)	(10)	(35)	(26)
Other income (expense), net	6	(25)	9	(7)
Income (loss) before provision for income taxes	372	379	(11)	1,176
Provision for income taxes	431	152	—	478
Net (loss) income	\$ (59)	\$ 227	\$ (11)	\$ 698
Less: Net income attributable to participating securities	—	77	—	235
Net (loss) income attributable to Class A and Class B common stockholders	\$ (59)	\$ 150	\$ (11)	\$ 463
(Loss) earnings per share attributable to Class A and Class B common stockholders:				
Basic	\$ (0.02)	\$ 0.11	\$ (0.01)	\$ 0.36
Diluted	\$ (0.02)	\$ 0.10	\$ (0.01)	\$ 0.32
Weighted average shares used to compute (loss) earnings per share attributable to Class A and Class B common stockholders:				
Basic	2,420	1,316	1,884	1,283
Diluted	2,420	1,520	1,884	1,507
Share-based compensation expense included in costs and expenses:				
Cost of revenue	\$ 8	\$ 3	\$ 79	\$ 6
Research and development	114	33	719	72
Marketing and sales	28	13	279	24
General and administrative	29	21	311	39
Total share-based compensation expense	\$ 179	\$ 70	\$ 1,388	\$ 141

See Accompanying Notes to Condensed Consolidated Financial Statements.

FACEBOOK, INC.
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS

(In millions)

(Unaudited)

	Nine Months Ended September 30,	
	2012	2011
Cash flows from operating activities		
Net (loss) income	\$ (11)	\$ 698
Adjustments to reconcile net (loss) income to net cash provided by operating activities:		
Depreciation and amortization	425	220
Loss on write-off of equipment	8	6
Share-based compensation	1,388	141
Deferred income taxes	(434)	(29)
Tax benefit from share-based award activity	854	405
Excess tax benefit from share-based award activity	(854)	(405)
Changes in assets and liabilities:		
Accounts receivable	(90)	(72)
Income tax refundable	(567)	—
Prepaid expenses and other current assets	24	(113)
Other assets	—	(25)
Accounts payable	20	36
Platform partners payable	(16)	91
Accrued expenses and other current liabilities	162	(9)
Deferred revenue and deposits	(5)	44
Other liabilities	27	51
Net cash provided by operating activities	931	1,039
Cash flows from investing activities		
Purchases of property and equipment	(1,037)	(421)
Purchases of marketable securities	(8,590)	(2,742)
Sales of marketable securities	571	95
Maturities of marketable securities	2,413	90
Investments in non-marketable equity securities	(3)	(2)
Acquisitions of businesses, net of cash acquired, and purchases of intangible and other assets	(911)	(5)
Change in restricted cash and deposits	(2)	5
Net cash used in investing activities	(7,559)	(2,980)
Cash flows from financing activities		
Net proceeds from issuance of common stock	6,760	998
Proceeds from exercise of stock options	9	27
Repayment of long term debt	—	(250)
Proceeds from sale and lease-back transactions	205	15
Principal payments on capital lease obligations	(231)	(128)
Excess tax benefit from share-based award activity	854	405
Net cash provided by financing activities	7,597	1,067
Effect of exchange rate changes on cash and cash equivalents	(3)	(5)
Net increase (decrease) in cash and cash equivalents	966	(879)
Cash and cash equivalents at beginning of period	1,512	1,785
Cash and cash equivalents at end of period	\$ 2,478	\$ 906
Supplemental cash flow data		
Cash paid during the period for:		
Interest	\$ 30	\$ 19
Income taxes	\$ 184	\$ 179
Non-cash investing and financing activities:		

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this Quarterly Report on Form 10-Q to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Menlo Park, State of California, on this 24th day of October 2012.

FACEBOOK, INC.

Date: October 24, 2012

/s/ DAVID A. EBERSMAN

David A. Ebersman
Chief Financial Officer
(Principal Financial Officer)

Date: October 24, 2012

/s/ DAVID M. SPILLANE

David M. Spillane
Chief Accounting Officer
(Principal Accounting Officer)

**CERTIFICATION OF PERIODIC REPORT UNDER SECTION 302 OF
THE SARBANES-OXLEY ACT OF 2002**

I, Mark Zuckerberg, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Facebook, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) for the registrant and have:
 - a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - c) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: October 24, 2012

/s/ MARK ZUCKERBERG

Mark Zuckerberg

Chairman and Chief Executive Officer

(Principal Executive Officer)

**CERTIFICATION OF PERIODIC REPORT UNDER SECTION 302 OF
THE SARBANES-OXLEY ACT OF 2002**

I, David A. Ebersman, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Facebook, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) for the registrant and have:
 - a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - c) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: October 24, 2012

/s/ DAVID A. EBERSMAN

David A. Ebersman

Chief Financial Officer

(Principal Financial Officer)

**CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350
AS ADOPTED PURSUANT TO SECTION 906
OF THE SARBANES-OXLEY ACT OF 2002**

I, Mark Zuckerberg, Chairman and Chief Executive Officer of Facebook, Inc. (Company), do hereby certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that to the best of my knowledge:

- the Quarterly Report on Form 10-Q of the Company for the quarter ended September 30, 2012 (Report) fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company for the periods presented therein.

Date: October 24, 2012

/s/ MARK ZUCKERBERG

Mark Zuckerberg

Chairman and Chief Executive Officer

(Principal Executive Officer)

**CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350
AS ADOPTED PURSUANT TO SECTION 906
OF THE SARBANES-OXLEY ACT OF 2002**

I, David A. Ebersman, Chief Financial Officer of Facebook, Inc. (Company), do hereby certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that to the best of my knowledge:

- the Quarterly Report on Form 10-Q of the Company for the quarter ended September 30, 2012 (Report) fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company for the periods presented therein.

Date: October 24, 2012

/s/ DAVID A. EBERSMAN

David A. Ebersman

Chief Financial Officer

(Principal Financial Officer)